GOVERNMENT OF INDIA
MICRO, SMALL AND MEDIUM ENTERPRISES
LOK SABHA

UNSTARRED QUESTION NO:460
ANSWERED ON:20.11.2007
PRODUCTION OF KHADI
Vijay Krishna Shri

Will the Minister of MICRO, SMALL AND MEDIUM ENTERPRISES be pleased to state:

(a) whether the production and sale of Khadi clothes is continuously declining in the country;

(b) if so, the details thereof;

(c) the total number of weavers working at present in Khadi Gramodyog and the decrease in their number during the last three years;

(d) the steps taken by the Government to improve the quality of Khadi clothes and to make it more competitive;

(e) the main reasons identified; and

(f) the policy being formulated by the Government in this regard?

Answer

MINISTER FOR MICRO, SMALL AND MEDIUM ENTERPRISES (SHRI MAHABIR PRASAD)

(a): No, Sir. The production and sales of khadi have increased in the last five years (2002-03, 2003-04, 2004-05, 2005-06 and 2006-07) as detailed below:

Year	Value of Production(Rs. crore)	Value of Sales(Rs. crore)
2002-03	443.07	577.63
2003-04	453.50	587.04
2004-05	461.54	617.84
2005-06	468.30	628.69
2006-07	491.52	663.19

(b): Does not arise.

(c): There was no decrease in the number of weavers of the khadi sector and the number of weavers working in the khadi sector during 2004-05, 2005-06 and 2006-07 are as below:

Year	Employment (lakh persons)
2004-05	6.87
2005-06	6.90
2006-07	7.01

(d) to (f): The steps taken by the Government and KVIC to improve the quality of Khadi clothes and to make it more competitive include the following :

(i) KVIC has entered into an Memorandum of Understanding (MoU) with the Textiles Committee, a statutory autonomous body set up by the Ministry of Textiles under the Textiles Committee Act, 1963, under which the Committee has agreed to make available their laboratory infrastructure for checking quality of khadi cloth. Interfaces were also established with reputed Research and Development (R&D) institutes to extend results of their R&D efforts to KVI units.

(ii) Technical manual, specifications and norms for test quality parameters of Khadi have been devised and published in a booklet form with the assistance of Indian Institute of Technology (IIT), Delhi. The technical manual prescribes the procedure to be adopted while checking samples of raw material, sliver, yarn, fabric etc. used in the production of Khadi, which is expected to ensure the quality of Khadi products.

(iii) In technical collaboration with the Indian Institute of Technology (IIT), Delhi, KVIC has introduced special finishing technique in the khadi sector to improve the quality and appearance of khadi products and a process facility has been created at Kshetriya Shri Khadi Ashram, Barabanki (Uttar Pradesh) on a pilot basis.

(iv) Setting up of 6 sliver plants by KVIC in different parts of the country to ensure supply of quality sliver to the khadi institutions.

(v) Establishment of Rural Industries Service Centres (RISCs) by the KVIC for setting up common facility centres (CFCs).

(vi) Providing financial assistance under Product Development, Design Intervention and Packaging (PRODIP) Scheme for improved designs and packaging of khadi products;

(vii) Credit at the concessional rate of interest of 4 per cent per annum provided by banks as per the assessed requirement of the institutions registered with the Khadi and Village Industries Commission (KVIC)/State Khadi and Village Industries Boards (KVIBs) under the Interest Subsidy Eligibility Certificate (ISEC) Scheme.

(viii) Launching the Scheme of Fund for Regeneration of Traditional Industries (SFURTI) for developing 34 khadi clusters throughout the country over five years beginning 2005-06.